



ASX ANNOUNCEMENT

15 December 2020

Half Year Sales and Corporate Update

Highlights:

- Record half year sales – on track for >30% increase over H1 FY2020.
- New device launches in home vital signs monitoring and wearable markets on track for CY2021.
- Expansion of senior executive team with key new hires to drive medical sales and product development.
- Launch of “ATCOR Wellness” to focus on new product development in consumer, wearable, and home vital signs monitoring markets.
- “Share Purchase Plan” update - strong support from shareholders to date.

On behalf of CardieX Limited (CardieX, the “Company”), I am pleased to provide an update on the first half sales and recent activities of the Company.

Strong Continuing Sales Growth

Sales of our XCEL and the Oscar 2 (a partnership with SunTech Medical) continue to be strong despite the pandemic. I’m very happy to report that we’ve surpassed 30% growth in sales for H1 FY2021 compared to the same period in 2020. In addition, this represents the strongest H1 results for the Company over the last 5 years.

Driving this result is continuing strength in sales to the research market as well as new clinical trial contracts which have been announced to the market with Bayer AG (refer ASX release 20 August 2020). I expect this strength to continue into next year given the current pipeline of research sales and new clinical trials in process.

With widespread vaccine distribution about to commence, I also expect sales to our traditional clinician market to recover strongly as the US comes out of continuing lock-downs and stay-at-home orders.

New Devices on Track for Launch in 2021

ATCOR Pulse

In September 2020, CardieX signed a three-year co-development and commercialization agreement (the “Agreement”) with Andon which provides for the development and commercialization of new medical and consumer health devices for home-use based on ATCOR’s patented and global standard SphygmoCor® technology for measuring central blood pressure and arterial stiffness.



The first device under the Agreement is to be named ATCOR "Pulse" (the Device) and is targeted for commercial launch in the US, Europe, Australia and China in Q4 CY2021. Further details were announced to the market in our September, 2020 Quarterly Update.

Our launch date for the Pulse remains on track and we've already received the first prototypes and test units in our US and Sydney offices. Our first contracted order of the Pulse will be ~10,000 units. As a guide to the impact of this new device on the revenues for the Company, our current device sales of the XCEL central blood pressure monitor (which constitutes the most significant portion of our sales) are in the low hundreds annually.

Volume sales of our new devices targeting the consumer market are anticipated to be exponentially higher based on our internal market forecasts and anticipated product demand.

New CardieX/Mobvoi Smartwatch.

Launch of our new smart watch in partnership with Mobvoi remains on plan with the first prototypes on track to be delivered to our marketing and engineering teams in early CY2021. Specific details in respect of the official launch date and watch features remain highly confidential. I'll advise shareholders more details as soon as I am able as well as details of pre-order programs for shareholder participation.

Announcement of Steven Kesten M.D. as our New Chief Medical Officer (CMO) and Mark Gorelick PhD. as our New Chief Product Officer (CPO)

This month we have added two highly experienced executive team members who are positioned to make a significant impact on the Company as we move forward with our new product launches and the expansion of our traditional sales markets.

Steven Kesten M.D. joins us as our new Chief Medical Officer. Steven comes to us with a background which includes similar positions at Uptake Medical and global Pharma giant Boehringer Ingelheim. Steven will initially be focused on developing and leading our clinical advocacy programs as well as leading the efforts of the Company in developing expanded coverage for our products with insurers, Medicare and Medicaid, and the health payer networks in the USA.

Mark Gorelick PhD. joins us as our new Chief Product Officer, a newly created position focused on leading our product development and delivery across the expanse of new products in development. Mark is principally charged with working closely with myself and leading the product teams in creating, developing, and delivering to market innovative and industry changing health technologies that disrupt the existing health-tech market. Mark is a visionary digital health innovator with a Doctorate in Biomedical Science who comes to us with a strong history in both academia and research as well as private company expertise – having held previous CPO and Chief Science Officer positions with leading wearable and digital health companies.

I'm excited to welcome both Steven and Mark to the team.

Announcement of ATCOR Wellness Division

Commensurate with the appointment of Mark Gorelick as our CPO, this month I have also



implemented a restructuring of our corporate operations into two divisions. Previously, all product development and operations were undertaken under one ATCOR umbrella group, however with the upcoming launch of our new product initiatives it made sense to separate the focus of our development and sales efforts under two complimentary, but distinct, operating divisions.

Going forward, our traditional sales and operations of our specialist medical, research, and clinical trial business will be undertaken by our "ATCOR Medical" division, headed by Chris Dax, the current President of ATCOR. New product development in our consumer, home, wearables, and digital health markets (including our new Pulse and Mobvoi Smartwatch initiatives) will be undertaken by our newly created "ATCOR Wellness" division, headed by Mark Gorelick. Given the nature of the opportunities in both these markets it made sense to divisionalize them so as to enable focused efforts around their unique sales, marketing, and development activities.

Both Mark and Chris will report directly into myself and will both be supported by our Sydney based product engineering team headed by Lawrence Chan.

Update on Share Purchase Plan (SPP)

Earlier this month we announced an SPP for Company shareholders.

As previously advised, we're targeting to raise \$1.0 million under the SPP, however we may decide in our absolute discretion to close the SPP early, scale back applications, or accept an amount above or below the \$1.0 million target depending on the level of demand received. We're expecting to close the SPP on Thursday, 31 December 2020.

Funds raised under the SPP are to be used primarily for working capital purposes and investment into the expansion of product and market development initiatives as previously announced.

I want to reiterate previous announcements that we currently retain sufficient cash reserves for the execution of our new product development and market expansion strategy, and ongoing business operations. The SPP is principally to enable our retail shareholders to have the opportunity to participate in the next growth phase of the Company at price levels that may not otherwise be available to them. I, and my fellow Directors have been mindful of retail shareholders in the past having limited ability to directly participate in capital raises and this is an opportunity for them to do so directly.

To date, and in the short period from when the SPP was announced, we have received strong initial support from shareholders which is demonstrative of the confidence that we all have in our growth and development plans for the Company. As with past capital raises, Directors of the Company will also be participating in the SPP to the fullest extent possible.

Thank you for your support and I look forward to updating you further in the New Year.

A handwritten signature in black ink, appearing to read "Craig Cooper".

Craig Cooper
CEO & Managing Director



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About CardieX

CardieX is a global health technology company that focuses on hypertension, cardiovascular disease, and other vascular health disorders. The company's [ATCOR](#) division is the world leader in medical devices for measuring arterial stiffness and central blood pressure waveforms based on its unique FDA-cleared and patented SphygmoCor® technology. Under the ATCOR-X brand, the company also develops and licenses its Arty™ platform consisting of physiological and health analytics for wearable devices. The company's digital platform, ArtyNet™, is a connected SaaS ecosystem providing physicians with a complete telehealth solution for remotely managing patients' health (2021 launch). CardieX is listed on the Australian Stock Exchange (ASX:CDX).